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cancel*

The foregoing and other features and advantages will be more readily apparent from the following detailed description, which proceeds with reference to the accompanying drawings.--

Page 41, line 11, delete “, attached hereto as Appendix A”

#### Abstract

Please add the abstract found on the attached page.

#### In the Claims:

Cancel claim 1 and add new claims as follows:

--2. A method of monitoring distribution of proprietary audio or image files on the Internet, comprising:

- obtaining audio or image files from plural different Internet sites;
- identifying plural of the obtained files having certain digital watermark data embedded therein, and decoding the digital watermark data therefrom;
- by reference to said decoded digital watermark data, determining proprietors of each of said plural files; and
- sending information relating to results of the foregoing monitoring to said determined proprietors;
- wherein proprietors of audio or image files are alerted to otherwise unknown distribution of their audio or image properties on the Internet.

3. The method of claim 2 including decoding the digital watermark data with reference to public key data.

4. The method of claim 2 including decoding the digital watermark data with reference to private key data.

5. The method of claim 2 in which the identifying includes performing a domain transformation on data from at least certain of said files, yielding transformed data.
6. The method of claim 5 in which the identifying further includes performing a matched filtering operation on said transformed data.
7. The method of claim 5 in which said domain transformation is a 2D FFT transform.
8. The method of claim 5 in which said domain transformation is a one-dimensional transform.
9. The method of claim 8 in which the identifying further includes generating column-integrated scan data for at least one oblique scan through an obtained image, and performing a one-dimensional FFT transformation thereon.
10. The method of claim 2 in which the identifying includes computing power spectrum data relating to at least certain of said files.
11. The method of claim 10 including low-pass filtering said power spectrum data.
12. The method of claim 2 including analyzing a spectral characteristic of at least certain of said obtained files to identify the possible presence of digital watermark data therein.
13. The method of claim 2 including screening said obtained files to identify a subset thereof, and undertaking the decoding operation only for files in said subset.